

Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Innovation, Science, Research and Tertiary Education Portfolio
Budget Estimates Hearing 2012-13
28 and 29 May 2012

AGENCY/DEPARTMENT: AUSTRALIAN SKILLS QUALITY AUTHORITY (ASQA)

TOPIC: Audit Costs

REFERENCE: Written Question – Senator Nash

QUESTION No.: BI-121

1. How many audits does ASQA expect to undertake each year?
2. What is the expected cost of auditing a metropolitan Registered Training Organisation (RTO), offering 5 Certificate III level training packages?
3. What is the expected cost of auditing a rural Registered Training Organisation, offering 5 Certificate III level training packages?
4. What is the forecast annual cost of undertaking audits in the 2012-13 financial year?
5. What is the forecast annual cost of undertaking audits in the 2013-14 financial year?
6. How many registered training organisations does ASQA expect to audit in 2012/13?
7. How many registered training organisations does ASQA expect to audit in 2013/14?

ANSWER

1. The number of audits undertaken in any given year will largely depend on the number and nature of applications ASQA receives. At this stage ASQA expects to undertake around 2,000 audits in total in 2012-13.
2. The average estimated cost is \$12,320 for five Certificate III training qualifications. The cost of audits will vary dependent on the scope of the audit.
3. The average estimated cost is the same as the above for five Certificate III training qualifications but there may be some additional travel costs dependent on the site of the audit and the availability of auditors in that region. ASQA has a panel of contract auditors who are located across Australia including several located in regional Australia.
4. The cost of compliance teams who undertake audits and the cost of the strategic audit function is estimated at \$12 million in 2012-13
5. ASQA does not have a 2013-14 forecast of the annual cost of undertaking audits at this stage. However, when fully operational ASQA estimates the annual cost of the compliance teams that undertake audit and the cost of strategic audits to be in the order of \$17 million per year.
6. The number of audits undertaken in any given year will largely depend on the number and nature of the applications ASQA receives. ASQA estimates that 2000 of RTOs will be subject to an audit in 2012-13.
7. ASQA has no estimate for the number of audits in 2013–14.